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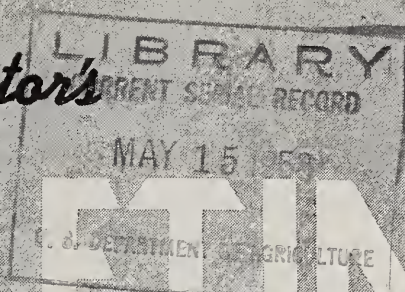
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Reserve

THE

Market Administrators

BULLETIN



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MARKET ADMINISTRATOR

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ISSUED FOR PRODUCERS WHO ARE NOT MEMBERS OF COOPERATIVE ASSOCIATIONS

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The Feed Situation

Farmers are planning a small reduction in the total acreage of feed grains this year and with an average growing season the cut would result in smaller production than last year's record output. The 142 million tons produced last year is estimated to be about 11 million tons above the 1957-58 disappearance. With the carryover into 1958-59 expected to be around 60 million tons, the supply of all feed concentrates, including the by-product feeds, in the new season would be more than 200 million tons for the third successive year. It may be only a little below the record 219 million tons for 1957-58.

Based on prospective plantings of March 1, farmers will increase their 1958 corn acreage 2 percent from 1957 when the acreage planted reached the lowest point in 70 years. But smaller acreages of other feed grains are planned: oats down 8 percent; barley, 3 percent and sorghum grain, 13 percent. This would give an overall reduction of 4 percent in the combined acreage of the four feed grains.

Farmers' plans for corn will be influenced to some extent by the acreage of corn finally signed under the 1958 Acreage Reserve Program. Farmers signed agreements in February to place about 4 million acres of corn in the Reserve Program this year. This was the maximum permitted by funds originally allocated to the corn program. An additional 3.2 million acres have been offered by producers for reserve sign-up and legislation has been enacted that would provide funds for about 3.0 million of this acreage, or a total of about 7.0 million acres. In 1957, 5.2 million acres

were placed under the Acreage Reserve Program.

Prices of feed grains and high protein feeds have advanced during the past 2 or 3 months. The price of No. 3 Yellow corn at Chicago rose from a seasonal low of \$1.09 per bushel for the last week of January to \$1.19 for the week ended March 14, but subsequently lost some of this gain. Prices of other feed grains also have strengthened in recent months, especially sorghum grain. Prices of oil-seed meals, animal protein feeds and wheat millfeeds have increased materially since January. Feed grain prices continue substantially below last year's level, while high protein feed prices advanced above last year's level in March.

Lower feed prices this winter have resulted in generally favorable feed price ratios for livestock producers. Prices received by farmers for hogs and beef cattle have been unusually high in relation to corn prices, and prices of dairy products and eggs have been above average relative to the cost of feed. Favorable feed price ratios are expected to result in an increase in livestock production during 1958, especially in hogs.

Present indications are that a record tonnage of feed grains will be placed under price support from the 1957 crops.

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Livestock Production Expected to Increase in 1958

Livestock production is expected to expand during 1958. Much of this increase will be in hog production as farmers are expected to increase their 1958 spring and fall pig crops. This would mean increased hog feeding in the last half of 1958 and the first half of 1959. Cattle numbers have declined slightly in the past 2 years from the record number on January 1, 1956. The number of cattle on feed for market on January 1 was about 3 percent below the high level of a year earlier, but it has since increased relative to last year. Cattle feeding is expected to continue heavy at least through the first half of 1958. Farmers are taking advantage of the favorable cattle and hog prices to dispose of this year's high moisture corn that may not keep through the spring and summer months. A further increase is expected in broiler production in 1958 and more chickens will be raised for laying flock replacement. The number of layers on farms, however, is expected to be smaller than a year earlier at least through the first half of 1958. The number of dairy cattle on farms probably will follow the slight downward trend of recent years in 1958, but farmers are expected to continue feeding their cows liberally.



Columbus

MARKET FACTS FOR EASY REFERENCE

PRICE SUMMARY

Producers' Uniform Price (3.5%)	
Producers' Uniform Price (4%)	
Class I (3.5%)	
Class II (3.5%)	
Class III (3.5%)	
Class IV (3.5%)	
Producer Butterfat Differential for each 1/10%	

March 1958	Feb. 1958	March 1957
\$4.34	\$4.38	\$4.46
4.695	4.73	4.83
4.493	4.504	4.566
4.093	4.104	4.166
3.993	4.003	4.066
3.070	3.082	3.063
7.1¢	7.0¢	7.4¢

UTILIZATION SUMMARY

Percent of Producer Milk in Class I.....	
" " " B.F. " " I.....	
" " " Milk " " II.....	
" " " B.F. " " II.....	
" " " Milk " " III.....	
" " " B.F. " " III.....	
" " " Milk " " IV.....	
" " " B.F. " " IV.....	

80.9	83.9	83.6
78.9	78.6	83.1
10.1	9.6	10.8
2.6	2.5	3.1
3.9	3.1	2.8
3.6	2.9	3.7
5.1	3.4	2.8
14.9	16.0	10.1

PRODUCTION SUMMARY

Total Pounds of Producer Milk Delivered	
Average Daily Class I Producer Milk	
Total Number of Producers	
Average Daily Production per Producer	
Average Butterfat Test	
Total Value of Producer Milk at Test	
Income per Producer (7 Day Average)	

25,204,863	22,305,961	24,561,765
657,784	668,156	662,000
1,833	1,844	1,918
444	432	413
3.78	3.86	3.77
\$1,145,132.08	\$1,030,671.27	\$1,144,698.55
\$141.07	\$139.73	\$134.77

GROSS CLASS USE (Pounds)

Class I Skim	
" I B.F.	
" I Milk	
" II Skim	
" II B.F.	
" II Milk	

19,789,623	18,169,971	19,911,696
753,274	676,271	770,062
20,542,897	18,846,242	20,681,758
2,586,839	2,196,808	2,825,280
24,914	21,513	28,777
2,611,753	2,218,321	2,854,057

AVERAGE DAILY SALES (Quarts)

Milk	
Buttermilk	
Chocolate	
Skim	
Cream	

265,337	271,186	267,685
5,422	5,215	5,521
13,331	14,372	12,622
9,399	9,503	8,426
7,501	7,645	7,570

COMPARATIVE STATISTICS ★

COLUMBUS MARKETING AREA

★ **MAR., 1949-58**

Year	Receipts from from Producers	Average Butter- fat Test	Percentage of Producer Milk in Each Class				Uniform Producer Price (3.5%)	Class prices at 3.5%				Number of Producers	Daily Average Production
			Class I	Class II	Class III	Class IV		Class I	Class II	Class III	Class IV		
1949.....	17,080,721	4.12	72.9	9.0	14.0	4.1	3.85	3.946	3.696	3.546	3.093	2,420	228
1950.....	18,017,620	4.16	72.9	19.8	7.3	—	3.80	3.969	3.569	2.993	—	2,416	241
1951.....	18,199,660	4.04	75.5	21.8	2.7	—	4.81	4.975	3.576	3.387	—	2,136	275
1952.....	18,411,883	4.03	78.5	17.6	3.9	—	4.89	5.038	4.638	3.857	—	2,111	281
1953.....	22,331,834	3.98	72.0	20.0	8.0	—	4.47	4.676	4.276	3.599	—	2,237	322
1954.....	24,837,916	3.97	69.0	14.9	16.1	—	4.06	4.303	3.903	3.427	—	2,214	362
1955.....	24,673,521	3.88	73.4	9.6	8.3	8.7	4.00	4.228	3.828	3.828	3.152	2,110	377
1956.....	26,122,629	3.85	73.1	10.8	8.0	8.1	3.97	4.20	3.80	3.80	3.124	2,069	407
1957.....	24,561,765	3.77	83.6	10.8	2.8	2.8	4.46	4.566	4.166	4.066	3.063	1,918	413
1958.....	25,204,863	3.78	80.9	10.1	3.9	5.1	4.34	4.493	4.093	3.993	3.070	1,833	444

Feeding of Dairy Cattle Continues Liberal

Farmers continued to feed their dairy cows at a record rate during 1957. The average quantity of grains and other concentrates fed per cow increased 7 percent from 1956 to a new high of 1,945 pounds. The total quantity fed was estimated at 19,946,000 tons, 4 percent more than in 1956. This made up about 15 percent of all feed concentrates fed to livestock and poultry.

The amount of grain and other concentrates fed to milk cows in dairy reporters' herds averaged 6.94 pounds daily in 1957, compared with 6.77 pounds in 1956 and the 1946-55 average of 6.12 pounds. The average quantity of grain and other concentrates fed per 100 pounds of milk produced also has increased slightly over the past several years. This reflects the tendency to feed

relatively more concentrates as milk production per cow increases. The average of 31.2 pounds of concentrates fed per 100 pounds of milk produced in 1957 was about 3 percent more than the 1946-55 average.

Of the total grains and other concentrates fed to milk cows in 1957, corn made up 32.0 percent; other grains, 25.7 percent; commercially mixed feeds, 29.2 percent and oilseed meals and other by-product feeds, the remaining 13.1 percent. About 60 percent of all the dairy rations fed in the North Atlantic and the West was commercially prepared. In the North Central region, only a small percentage of the dairy ration was purchased as a commercially prepared feed, while a third of the dairy feed in the South was purchased ready-mixed.

NUMBER OF MILK COWS DECLINES FURTHER

Although the average number of cows milked before 1944 fluctuated with the number of nonmilk stock, it has declined each year since 1944 except 1953, regardless of beef cattle cycles. In the past 5 years, the decline in dairy numbers has averaged less than 1 percent a year. The moderate reduction on January 1, 1958, as in other recent years, is a result of a decline in number of farms with milk cows being only partly offset by the increase in number of cows per farm.

Technological advances probably have played a greater role than price relationships in affecting numbers. Price relationships this year alone are not likely to cause much change in the number of milk cows — milk prices are below average, compared with hogs and beef cattle, but above average compared with prices for feed. Even after the reduction in manufacturing milk prices as of April 1, the milk-feed price relationship will be above the 10-year (1947-56) average.

Substantial Price Support Purchases to Continue Despite Lower Level of Supports

While total milk output has not increased as fast as population, the total supply of milk, considering the shift in consumers' tastes and preferences away from some milk products, has exceeded consumption in commercial markets at prevailing levels of incomes and prices. The comparatively moderate reduction in milk prices may not materially alter the level of milk output for 1958. But production may be lower after 1958 than if higher price levels were maintained. However, if the lower supports are maintained, some small increases in consumption are likely as a result of retail price reductions.

CCC purchases of dairy products in 1958-59 probably will be moderately below the 6 billion pounds likely to be purchased in current marketing year which ends March 31. The volume purchased in 1957-58 is second only to the record 11.2 billion pounds purchased in 1953-54. In 1956-57 the equivalent of about 5.1 billion pounds was purchased — about 4 percent of production.

CCC increased holdings of butter and nonfat dry milk in 1957-58 but moderately reduced its cheese stocks. The holdings of butter are not burdensome in view of prospective outlets for this product. Similarly, outlets for nonfat dry milk are large relative to present holdings. Although stocks of cheese are considerably below the very high levels of other recent years, they are large relative to available outlets.

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BE STRONGER
LIVE LONGER
DRINK MILK

CORN ACREAGE ALLOTMENTS FOR 1958

The total acreage allotment for the 1958 commercial area is 38,818,381 acres, 4 percent more than the total allotment in 1957. Most of this increase, however, is for the 38 new counties added to the commercial area this year. There was little change in the allotments for those counties that were in the commercial area both years.

Acreage allotments are in effect for corn in 1958 for the fifth successive year. Allotments also had been in effect in 1950 and in the period 1938-42. The commercial area is established each year to include counties with a 10-year average corn production per farm, exclusive of corn used as silage, of 450 bushels or more and an average of 4 bushels or more per acre of farm land.

As corn yields have increased, the commercial area has expanded, especially in the eastern and southern regions of the country. The 1958 commercial area includes 932 counties, 38 more than in 1957 and 92 more than in 1956. The 1958 commercial area includes all or parts of 26 States. Two counties in South Carolina and five counties in Florida will be in the commercial area for the first time this year.

The acreage allotment this year is 35 percent below the total acreage planted in the 932 counties in the 1958 commercial area in the period 1952-56. Although acreage allotments were in effect in 1954 and 1955, the total acreage planted in the commercial area in those 2 years was maintained at about the same level as in 1952 and 1953. From 1955 to 1957,

Market Quotations

March
1958

12 MIDWEST CONDENSERIES 3.5% per Cwt.	\$3.082
5 CONDENSERIES (Cincinnati) 3.5% per Cwt.	2.8831
5 CONDENSERIES (North Central Ohio) 3.5% per Cwt.	2.950
2 CONDENSERIES (Toledo) 3.5% per Cwt.	2.988
4 CONDENSERIES (Tri-State) 3.5% per Cwt.	3.012
Evaporated Milk Code Price, 3.5% per Cwt.	2.825
Skim Milk Powder-Butter Price, 3.5% per Cwt. (Cincinnati)	3.2100
Skim Milk Powder-Butter Price, 3.5% per Cwt. (Columbus)	3.193
Skim Milk Powder-Butter Price, 3.5% per Cwt. (Dayton)	3.217
Skim Milk Powder-Butter Price, 3.5% per Cwt. (Toledo-Tri-State)	3.091
Average Weekly Cheddars price per lb.	.32812
Average price per lb. non-fat dry milk solids, roller process delivered Chicago	.14250
Average price per lb. 92-score butter at Chicago	.59308
Average carlot prices non-fat dry milk solids, roller and spray process; f.o.b. manufacturing plant	.1436

however, corn acreage in the 1958 commercial area was reduced 6 million acres, or 10 percent, reflecting the influence of the Soil Bank Program as well as acreage allotments.

The percentage of the farmers complying with the acreage allotment program has declined in recent years. In 1957 only 39 percent of the corn producers in the commercial area complied with their acreage allotments. These complying producers, however, cut their corn acreage 48 percent below their total acreage allotments, as many of them also participated in the Corn Acreage Reserve Program. Only about a seventh of the total corn in the commercial area was grown on the farms of producers complying with their acreage allotments.

The acreage of corn planted in the noncommercial area has trended downward for a number of years. The 1957 acreage was 14 percent less than 5 years ago.

The Feed Situation

(continued from page one)

Through February 15, farmers had placed 250 million bushels of sorghum grain and 141 million of barley under price support from the big 1957 crops, the largest of record. Corn placed under support through February 15 totaled 181 million bushels, much less than the 313 million a year earlier. Fewer corn producers in the commercial area are eligible for the full price support and much of the corn is too high in moisture content to qualify for price support.

On February 21, the U. S. Department of Agriculture announced price supports on 1958 crops of oats, barley and sorghum grain at 70 percent of the parity prices, the same percentage as in 1957. The national average support for oats is 61 cents per bushel, the same as for the 1957 crops.